

Choosing the Future

Critical Information for Critical Times, Edition of Wednesday, July 15, 2015



Envisioning Tomorrow

It has been my privilege to work with hundreds of hospital management teams, physicians, and other members of the caring professions over the past 30 years. I don't believe that a more dedicated, competent, and resourceful group of people exists on the planet.

Unfortunately, these good people find themselves in an uncomfortable and unsustainable position. *Patient care is no longer patient centered. It has become third party payer centered.* The needs of patients are now subordinate to the bureaucratic demands of insurance companies and government programs. This is completely unacceptable and must be changed.

Brady & Associates performance improvement services have always been based on change formula¹ concepts. In fact, a slightly modified version of the change formula graces the back of our business cards. Here is the formula in its entirety:

$$\text{Change} = D \times V \times F > R$$

The Change Formula says that to overcome natural human resistance (R) to change, three things must be present:

- D = Dissatisfaction with the current state that is public and shared. The more information people have, the more likely they are to be dissatisfied with the status quo.
- V = Vision: There must be a compelling and ennobling picture of the future that is also public and shared.
- F = First Steps in the direction of the change that will produce immediate evidence of progress.

This relationship is not linear. The change formula multiplies these factors.

On March 23rd, 2010, *The Patient Protection and Affordable Care Act* was signed into law. From the beginning, these pages have relentlessly pointed out the existential threat that the Third Party Payer system, including the ACA, poses to health care professionals and patients alike. Our initial analysis of the ACA and prediction of its effect was published a bit more than two weeks after its enactment on April 10th, 2010 and has proven to be all too accurate. If you are interested in gauging our prescience way back then, you may download and review that analysis [here](#).

We are done documenting the ACA's negatives. Going forward, we will apply change formula principles to help hospitals and physicians develop a health care future to benefit patients and the nation at large. *When all of the elements (D and V and F) are present, the paradigm will have shifted and change will be a given.* With "D" well in place, it should be a slam dunk.



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¹ The change formula's concepts were originally outlined in the 1960s by David Gleicher, Associate Professor of Economics at Adelphi University. Richard Beckhard published them in 1975 and they were further refined and modified by Kathleen Dannemiller in 1992.